S.No.	Name of District and District Foru
12.	Kamrup
13.	Karbi-Anglong
14.	Karimganj
15.	Kokrajhar
16.	Morigaon
17.	Nagaon
18.	Nalbari
19.	North Cachar Hills
20.	North Lakhimpur
21.	Sibsagar
22.	Sonitpur
23.	Tinsukia

Recommendations of Expenditure Reforms Commission

2060 SHRI RAJIV RANJAN SINGH:
SHRI RAJ MOHINDER SINGH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Expenditure Reforms Commission has submitted its various recommendations regarding the food policy to Govern ment;

(b) if so, the details of these recommendations;

(c) whether any action plan has been formulated by Government to implement these recommendations; and

(d) if so, the outlines thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, AND PUBLIC DISTRIBUTION (SHRI SRIRAM CHAUHAN): (a) and (b) Yes, Sir. In order to contain the burgeoning food subsidy bill within accepted levels, Expenditure Reforms Commission (E.R.C.) in its report on 'Food Subsidy* has made a number of recommendations besides the recommendations

@Original notice of the question was received in Hindi.

which directly concern the determination of FCI's economic cost of wheat and rice. The details of recommendations are listed in the Statement, *(see* below).

(c) and (d) While the Commission's recommendations on readjustment/revision of economic cost of wheat and rice have already been accepted and implemented by the Government, thereby revising the economic cost of wheat and rice to Rs. 83Q/-per qtl. for wheat and Rs. 1130[1] per qtl. for rice as against the estimated cost of Rs. 90(K- per qtl. for wheat and Rs. 118(y- per qtl. for rice at the beginning of the current financial year, the other recommendations of the commission entail inter-Ministerial^ departmental consultations and also consultations with the State Governments etc., before final views crystallize.

Statement

Recommendations of the expenditure reforms commission (ERG) which require consultations with state Governments/Ministries/ Departments, etc.

1. The State Governments will have to put in major efforts for identifying the BPL population, giving them ration card and reaching the benefits intended for them in a transparent manner.

2. A national food security buffer stock of 10 million tonnes-4 million tonnes of wheat and 6 million tonnes of rice should be maintained at all times.

3. The cost of holding the stocks in excess of the requirement for national food security and for PDS due to very generous minimum support prices based procurement policy could be reflected in the Budget as producers' subsidy rather than consumer subsidy.

4. Inducing the State Governments and the private sector to enter into the foodgrains trade— procurement, storage as well as including exports, in an organized and big way by moderating the increase in MSP effected every year.

5. Freezing the MSP for paddy/rice and wheat in the forthcoming procurement seasons at the same level as fixed for the

last procurement season and accepting the prices recommended by a body of experts like the CACP without making further increases.

6. State Government/private Sector with surplus foodgrains production could be allowed to procure, sell and also export upto 3 million tones of rice and 5 million of wheat every year and also that this policy will remain unchanged for at least IS years and that in the event of drop in foodgrains' production in any year, domestic consumption requirements would be met through imports.

7. Move towards a procurement price instead of minimum support price that will include the MSP as well as reasonable levels of taxes and other levies that can be imposed by the States, thus leaving it to the States to decide on what they should retain by way of taxes and levies and what should be passed on to the farmers.

8. (a) Encouragement to rice procurement through levy route, (b) There be only one rate as is the case with wheat and that be the Common variety alone.

9. Fixation of revised levy price with reference to strict quality standard may be announced before the coming season and levy percentage be fixed anywhere between 50% to 70% as the miller may choose.

10. Speedy action to be taken on all cost reduction measures in respect of the Food Corporation of India as may be recommended by the Administrative Staff College of India, which is currently undertaking a study to suggest ways and means of reducing the economic cost.

11. Use of synthetic bag for procurement of rice.

12. The States which distribute quantities larger than what is allocated under BPL be paid in cash instead of supply of foodgrains at subsidized rates for the BPL population. This would enable the States to procure the required foodgrains directly or through traders at competitive costs which may work out to be less than the economic cost of the FCI.

13. Only quantities sold through the PDS to APL and BPL population, and allocations made to various welfare schemes and

sales at the economic cost, should be taken into account for determining the distribution stocks.

Setting up of National Commodities Exchange

2061. SHRI P. K. MAHESHWARI: Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government have decided to set up National Commodities Exchange in the country;

(b) if so, the details thereof; and

(c) the benefits likely to accure by this Exchange?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, AND PUBLIC DISTRIBUTION (SHRI SRIRAM CHAUHAN): (a) and (b) In principle approval to set up a National Multi Commodity Exchange has been given by the Government and the Forward Markets Commission has been advised to take further necessary action to complete the formalities.

(c) The proposed Exchange would be a professionally managed, equipped with modem technological facility of intergrated screen based transparent trading at one central place. It will, thus, provide the participants in the commodity sector, an efficient competitive price signals and price risk management mechanism on the lines of National Stock Exchange.

Export of wheat, rice, sugar and cotton

† 2062. SHRI RAJIV RANJAN SINGH:
DR. D. MASTHAN:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the sale of wheat, rice, sugar and cotton in the international market is going down due to increased production cost of these items in the country;

(b) if not, Government's reaction in this regard; and

† Original notice of the question was received in Hindi.